



MINUTES BOARD OF LIVESTOCK MEETING

MAY 16, 2011
ROOM 319, 301 N ROBERTS
HELENA, MT

BOARD MEMBERS PRESENT:

Jan French, Chair, cattle producer
Jeffery Lewis, dairy producer
Stan Boone, cattle producer

Ed Waldner, swine producer
John Lehfeltdt, sheep producer
Linda Nielsen, cattle producer

BOARD MEMBERS ABSENT

Brett DeBruycker, cattle producer

STAFF PRESENT:

Carol Olmstead, Meat Inspection Bureau
Dr Bill Layton, Veterinary Diagnostic Lab
Christian Mackay, Executive Officer
Steve Merritt, Public Information
George Edwards, Livestock Reimbursement Board

George Harris, Centralized Services
Dr Zaluski, State Veterinarian, Animal Health
Sherry Rust, Executive Assistant
Dr Eric Liska, Animal Health

PUBLIC PRESENT:

Kraig Glazier, USDA Wildlife Services
John Steuber, USDA Wildlife Services
James Brown, MT Woolgrowers Assn

Ariel Overstreet, Montana Stockgrowers Assn
Les Graham, MT Livestock Auction Markets
Quentin Kujala, FWP

8:00 AM

CALL TO ORDER

ADMINISTRATIVE ITEMS

Board Communications:

- Jan French, Hobson
 - huge calf losses from scours in her area, 15% calf loss from one neighbor
 - just get it under control, more rain renews the problem
- Linda Nielsen
 - flooding in the whole area, dried up, then flooded again, hitting areas not hit before
 - good weather for seeding, now about half done
 - held last bull sale last week, prices were really good this year
- Jeff Lewis, Corvallis
 - cows are doing great, prices are good
 - good rain last week, lots of snow in the mountains
 - river is up, could be ugly if we get a nice warm rain
- Stan Boone, Ingomar
 - long hard winter, road washed out many times

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- still pretty wet, starting to dry out-ground totally saturated
- not feeding anymore, not much grass yet, still too cold
- will have good grass once the nights warm up, still hitting 32 at night
- Ed Waldner, Chester
 - drying up, greening up, winter wheat looks pretty good, finally spring
 - rumor says there is serious intent to put up a packing plant near GF - big money behind it
- John Lehfeltdt, Lavina
 - predator issue not good - no more money for flying
 - losses for lambs is bad
 - Wildlife Services flew over his place awhile back took 4 coyotes
 - last week hired his own plane - took out 6; lost 3 lambs the next day

Approval of Minutes:

John Lehfeltdt moved to approve the March 2011 board meeting minutes as presented. Jeff Lewis seconded. The motion carried unanimously.

Interim Authorizations and Activities:

- Out- of- State travel requests were approved by Chair Jan French.
 - Dr Zaluski, Dr Eric Liska, and Christian Mackay to travel to Cody, WY for Wyoming Brucellosis conference

Linda Nielsen moved to approve chair interim authorizations. Stan Boone seconded. The motion carried.

Executive Officer Reports:

Ed Waldner moved to approve the executive officer reports as presented. Jeff Lewis seconded. The motion carried unanimously.

1:30 PM DIVISION REPORTS

Centralized Services, George Harris

- IT update:
 - Roy Hoyt, IT has left the department for a job at DEQ
 - internal recruitment completed with Conrad Flynn moving up as replacement
- Board of Horse Racing
 - SB 16 gives spending authority to spend simulcast income for Horse Racing expenses
- Leg Session Fiscal Update HB 2, HB 622
 - HB 622- passed -
 - gives predator \$345,000 each year with \$200,000 of general fund to pay for wolf losses
 - unspent cash can accumulate

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- back to a normal 4% vacancy savings
- Indirects for Meat Inspection was raised to \$90,000 more closely matching expenses
- Livestock Livestock Loss Reimbursement and Mitigation Board is now Livestock Reimbursement Board
- Upcoming CSD staff tasks includes Pre Turn Around for 2012 and 2013, then fiscal year end for 2011, July Turn Around, then auditors (Jay Phillips) will be in
- **Action Item 1-05-2011** County Per Capita Fees Agreements re: 4 County Allocation
 - these four counties run their own predator programs (do not participate in the agreement between DOL and Wildlife Services)
 - this process is to return per capita paid by each county in for predator control for them to use in their individual programs.

| | |
|--------------|----------------|
| Powder River | \$10,170 |
| Carter | \$8,821 |
| Richland | \$5,007 |
| McCone | <u>\$4,344</u> |
| Total | \$28,342 |

John Lehfeldt moved to authorize payment of allocations as presented to the four counties, Powder River, Carter, Richland, and McCone for a total of \$28,342. Jeff Lewis seconded. The motion carried.

- Livestock Reimbursement Board updates
 - presented proposed license plates for fund raiser
 - HB 287 - allows LRB to collect wolf hides which will tanned and sold as fundraiser
 - paid out for 17 cattle \$16,198 (26 in 2010)

USDA WILDLIFE SERVICES, JOHN STEUBER

- Federal funding cut
 - tri-state predator earmark was cut (\$926,000 to WY, MT, ID)
 - looking for vacancy savings, cutting flying
 - using private owners, local cattle associations, woolgrowers, cattle petitions
 - counties without cattle petitions will not be seeing WS in their county
 - 17 counties have cattle petitions
 - funds will be available for next spring to fly
- Wolf work is down this year
 - removed more last year than ever before and hard winter added to lower wolf predation
 - wolf and bear work is picking up rapidly as it warms up

MEAT INSPECTION, CAROL OLMSTEAD

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- FSIS USDA published final rules on interstate shipment
 - new programs will be under title 5, we are now under title 4
 - met with plant association members -no plants interested in going into the Title 5 program
 - Carol will work with Steve Merritt to put out press releases informing participants in the state program that they are still bound by Title 4 guidelines
- FSIS onsite review set for mid-June

MILK & EGG

- 12 day rule suit update, Christian Mackay
 - Coremark has just submitted their briefs
 - we will submit ours and then the judge will look at it
 - board will probably not see it until the September board meeting
 - The board suggested some public information articles on the 12 day rule as a good idea

| | |
|-----------------|------------------|
| <u>10:00 AM</u> | <u>RECESS</u> |
| <u>10:15 AM</u> | <u>RECONVENE</u> |

Veterinary Diagnostic Laboratory, Dr. Bill Layton

- Action Item 2-05-2011 Fee Schedule
 - provided a spreadsheet of proposed fee changes requested board guidance
 - approximately 10% fee increase on selected tests for an approximate 5% overall fee increase
 - volume and pooling will make a difference in total approximate increase in funding
 - imperative keep fees competitive but try to stay close to cost of tests

John Lehfeldt moved to authorize the fee changes as proposed, revisit amount generated and adjust as appropriate. Linda Nielsen seconded. The motion passed

?????moved to authorize Dr Layton to re-evaluate the proposed schedule and send an amended proposal out within a week for board approval, Stan Boone seconded. The motion carried.

- Action Item 3-05-2011 Contracts
 - MSU - \$1,500 annual agreement for \$3,000 or more worth of student labor. Anything over the agreed amount we directly bill MSU.
 - FWP -agreement for increase this year to \$15,000 (\$13,000 testing, \$2,000 testing) for lab to do testing and incineration for FWP

Ed Waldner moved to authorize contracts as presented. Jeff Lewis seconded. The motion carried.

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- Building Committee
 - bond issue did not go through time to regroup and move forward
 - need to obtain commitment from FWP and MSU
 - and look at funding
 - need about 16 million dollars estimate in conjunction with FWP
 - or about 8 million for just the veterinary diagnostic lab
 - must formulate a plan to present to AAVLD for out continued accreditation
 - Quentin Kujala suggest the department should approach the director and the commission
 - need a defined plan regarding space for each, lab for each, etc
 - board would like to have a meeting during the Stockgrowers mid year meeting in Bozeman in June-9, 10th
 - Christian to arrange for 8th or 9th
- New Pathologist hired
 - senior resident at Oklahoma University
 - hi is sitting for boards in September
 - must pass 1 or 2 of the (4 total) sections
 - then can retake those not passed
 - VDL will support him for study in the 2nd year
 - as a developing position allows to gain qualified person for less cost
 - Dr Zaluski will put this position on his Vet Encouraging Grant funding to assist him in pursuit of his certification
 - Dr Marshall is 65 and Dr Layton 61
 - need this position to assure availability of pathologists in case of loss of one
- Action Item 4-05-2011 Lab Evaluation
 - interested in producer input and evaluation as well as veterinarian clients
 - the 2000 original evaluation was sent to vet clients of the lab-
 - expenses would include writer for evaluation and mailing expense for 500

Producer Organization Updates

Ariel Overstreet, Montana Stockgrowers Association

- invited all to the mid- year meeting June 9 & 10

Jim Brown, Montana Woolgrowers

- recently traveled to Washington DC to try to reestablish the earmark for predator control

11:30 AM

ADJOURNED FOR LUNCH

1:00 PM

RECONVENED

- Moving expenses for new pathologist
 - Dr Layton offered a \$3,000 moving stipend pending board approval

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- requested authorization

John Lehfeldt moved to authorize \$3,000 stipend for moving expenses for the newly hired pathologist. Jeff Lewis seconded. The motion passed.

Brands Enforcement, John Grainger

- Annual report to board
 - value for estrayed animals has fallen for this year
 - market numbers 2007, 08, 09 were all well up, fell in 10, numbers are down again for this year
- Rerecord update
 - 46% complete
 - closer to 60% if the average 15% of brands are dropped
 - 62% of those were done on the web;
 - 4% walk ins
 - balance in the mail
 - still need press releases reminding brand owners to renew their brands
 - brought rerecord extension policy statement for board
 - noted the need to amend board policy to comply with statutes and to comply with audit regulations
 - will work on draft policy of suggested changes
- SB 207-Domestic Bison Permit
 - becomes effective in July
 - will be handled the same way as the sheep permit
 - available online
 - will not have the hard copy printed in time
 - must adopt rules and then it will be implemented
- SB 277 Beef Council
 - received a letter from Montana Cattlemen Association supporting DOL
 - 2 options
 - department is not obligated if costs exceed 5%
 - we can track for a year document and walk away forever if costs exceed 5%
 - or find a different methodology to cut department costs to live within the 5% reimbursement
 - example: deputy local inspectors provided with direct payment envelopes to avoid department obligation for accounting and remedial issues
 - board suggested a sub-committee to meet with BC to work about details on Thursday May 19 at the-Beef Council meeting
 - Stan, John, Jan (if schedule allows) and Christian attend and present options
 - 1) local deputy inspector will have 2 envelopes per inspection
 - a) one mailed to DOL Helena office with inspection papers
 - b) -one to Beef Council with collected fee

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- c) Beef Council to contact producer directly if any issues or remediation required
- 2) department will track a full cycle of inspections for a year for documentation to show costs exceed the reimbursed 5%
- Brand rerecord request
 - Board received a letter from George Sewert
 - failed to rerecord brand in 2001 and tried to rerecord this year
 - (quarter circle over GS) cannot be rerecorded it because brand policy is to no longer issue Gs, Is, Qs
 - he only brands 4 calves a year.
 - did not want the available alternative brands offered by the department.
 - the board questioned if they make this exception how many will want the same exception

Linda Nielsen moved to not approve the request due to the brand policy against the re-issuance of Gs. John Lehfeltd seconded. The motion carried with Ed Waldner voting no.

- update on former brand owner from Joliet request
 - asked if current owner dropped the brand, could she pick it up
 - current owners renewed the brand

Animal Health, Dr Zaluski

- Action Item 5-05-2011 DSA ID requirement boundary
 - Wyoming updated their DSA rules- adjusted it to the east to border of Park county and south added mandatory ID livestock living the DSA
 - 3 states that receive Montana cattle have implemented ID requirements on Montana DSA cattle (NE, CO, SD)
 - advantages to DSA cattle ID
 - 1) will have federal ID
 - 2) hopefully prevent additional states creating additional requirements
 - should we be pro-active or conservative? Wyoming chose to be pro-active
 - simple change as far as adding ID requirement (rule making change)
 - no significant increase in cost to the department if implemented
 - have held four meetings but no clear direction - certainly not dead set against it
 - the change supports standardization amongst the three states

Jeff Lewis moved to authorized the proposal calling for ID of all sexually intact cattle leaving Montana's DSA. John Lehfeltd seconded. The motion carried unanimously.

- Proposed DSA boundary adjustment
 - provided a map of proposed adjustments
 - moves the boundary based upon the FWP elk study
 - conservative adjustment southwest of original boundary to address elk contained in the FWP study

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- sense is that elk movement is primarily west to east, to and from summer range
- about 30 producers in the 617 sq miles of the proposed adjustment
- involving from 80 to 9,000 head

Ed Waldner moved to authorize a draft proposal for a boundary adjustment on the DSA as presented. Jeff Lewis seconded. The motion carried unanimously.

- Action Item 6-05-2011 Salmonella Pulum testing
 - presented reasons for this certification program
 - no down side to implementation

John Lehfeldt moved to authorize implementation of the proposed certification program including ARM changes needed for implementation. Jeff Lewis seconded. The motion carried unanimously.

- Bison management- hazing movements now have two active suits
 1. Park County Commissioners and Park County Stockgrowers regarding operations
 - judge granted a temporary restraining order on behalf of the Stockgrowers
 - generally these bison are already back in the Park by hazing (north side- deadline is May 1)
 - the department, Fish, Wildlife & Parks, the Governor and the State of Montana are named in this suit
 2. Alliance for the Northern
 - will file for restraining order to stop flying the helicopter while hazing on the west side
 - 250 to 300 bison out (notably lower than the 400 last year)
- still knee high snow in West Yellowstone -lots of snow in the area
- warm up and melt is two weeks behind on the west side
- looking to start the haze back the next Wednesday (a week from tomorrow)
- Emerging issues and updates
 - Equine Herpes Virus
 - outbreak occurred following an event of cutting horses in Utah in April/May
 - eighth national EHV event
 - numerous horses have died in this outbreak -
 - about 45 Montana horses attended the event
 - attendees have been notified to watch for symptoms
 - no report of any Montana cases as of today
 - Trich rule revisions moving more slowly with the leaving of Dr Rankin
 - will bring a proposal to Stockgrowers in June
 - will advertise Dr Rankin's position internally and hope to fill it
 - Dr Zaluski will be out of the country beginning June 11 for 2 weeks

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- The federal TB/Brucellosis working group regarding the interim rule is meeting in Bozeman, Holiday Inn on June 1 from 8 am to 4 pm

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| <u>2:50 PM</u> | <u>RECESS</u> |
| <u>3:00 PM</u> | <u>RECONVENE</u> |

The Board of Livestock proposes present a letter to President Obama regarding the bison/Yellowstone Park management plan with the following points:

- need plan and/or keep bison within their boundaries
- agencies do know how to eradicate brucellosis
- encumbers the State of Montana with the burden of the bison brucellosis issue
- present management of bison overpopulation is hard on the park from overgrazing
- park elk are becoming sero positive and movement out of park becoming another burden on the state
- board will try to get Wyoming and Idaho on the bandwagon to send letters also

Stan Boone moved to authorize Christian Mackay to compose the letter. John Lehfeldt seconded. The motion carried unanimously

- Public Outreach and Public Information Strategy
 - Important for the legislators to know who DOL is and what DOL does
 - proposed updates, revisions and implementations
 - Board information page
 1. email links go to Steve Merritt (PIO)
 2. phone number goes to ext 9321 (Executive Office)
 - The new newsletter will be exclusively DOL news
 1. first issue is already filled up with who we are, what we do, and why we are doing it and follow up on news releases
 2. continuing issues will talk about our people, programs they work on, how they get their jobs done
 3. also will bring news from around the state
 - a. district inspectors encouraged to call in with a variety of items
 - b. photo contest
 - An online service called Constant Contact will communicate with constituents in a targeted program
 - Bison news will be on the IBMP.info website, a repository for all IBMP issues
 - District and Market men - photos
 - Need a way to communicate with local inspectors

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1. brand administrators and Christina to meet with district people and local inspectors

2. online sign on just for local inspectors to look on for info etc

- proposed board internet page
- board suggested more issues in the media (not just in Ag papers)
 - 1. best management practices
 - 2. Trich issues
 - 3. department administrators to bring issues to Steve for positive promotion

PUBLIC COMMENT

- Les Graham
 - regarding the legislative session
 - 1. this one is over, some people will be termed out,
 - 2. need to watch to see who will be the next candidate
 - 3. possibilities for next governor also need to be watched
 - 4. - look for connections to new legislators and governor
 - 5. the legislature is not over, it is just beginning

ANNOUNCEMENT OF NEXT BOARD MEETING

JULY 25 & 26, 2011 (TENTATIVE)

FWP commission meets at this time - BOL meeting schedule to coincide for possible joint meeting.

(Board meetings will be scheduled on the third Monday & Tuesday of every other month unless otherwise noted.)

3:45P M

ADJOURNMENT

JAN FRENCH, CHAIRMAN